



GENERAL ASSEMBLY

COMMONWEALTH OF KENTUCKY

2006 REGULAR SESSION

SENATE BILL NO. 61

WEDNESDAY, FEBRUARY 8, 2006

The following bill was reported to the House from the Senate and ordered to be printed.

RECEIVED AND FILED
DATE April 18, 2006
9:52am

TREY GRAYSON
SECRETARY OF STATE
COMMONWEALTH OF KENTUCKY
BY R. J. J. J.

AN ACT relating to reorganization.

Be it enacted by the General Assembly of the Commonwealth of Kentucky:

1 Section 1. KRS 12.020 is amended to read as follows:

2 Departments, program cabinets and their departments, and the respective major
3 administrative bodies that they include are enumerated in this section. It is not intended
4 that this enumeration of administrative bodies be all-inclusive. Every authority, board,
5 bureau, interstate compact, commission, committee, conference, council, office, or any
6 other form of organization shall be included in or attached to the department or program
7 cabinet in which they are included or to which they are attached by statute or statutorily
8 authorized executive order; except in the case of the Personnel Board and where the
9 attached department or administrative body is headed by a constitutionally elected officer,
10 the attachment shall be solely for the purpose of dissemination of information and
11 coordination of activities and shall not include any authority over the functions,
12 personnel, funds, equipment, facilities, or records of the department or administrative
13 body.

14 I. Cabinet for General Government - Departments headed by elected officers:

- 15 1. The Governor.
- 16 2. Lieutenant Governor.
- 17 3. Department of State.
 - 18 (a) Secretary of State.
 - 19 (b) Board of Elections.
 - 20 (c) Registry of Election Finance.
- 21 4. Department of Law.
 - 22 (a) Attorney General.
- 23 5. Department of the Treasury.
 - 24 (a) Treasurer.
- 25 6. Department of Agriculture.

- 1 (a) Commissioner of Agriculture.
- 2 (b) Kentucky Council on Agriculture.
- 3 7. Auditor of Public Accounts.
- 4 II. Program cabinets headed by appointed officers:
- 5 1. Justice Cabinet:
- 6 (a) Department of State Police.
- 7 (b) Department of Criminal Justice Training.
- 8 (c) Department of Corrections.
- 9 (d) Department of Juvenile Justice.
- 10 (e) Office of the Secretary.
- 11 (f) Offices of the Deputy Secretaries.
- 12 (g) Office of General Counsel.
- 13 (h) Division of Kentucky State Medical Examiners Office.
- 14 (i) Parole Board.
- 15 (j) Kentucky State Corrections Commission.
- 16 (k) Commission on Correction and Community Service.
- 17 2. Education, Arts, and Humanities Cabinet:
- 18 (a) Department of Education.
- 19 (1) Kentucky Board of Education.
- 20 (b) Department for Libraries and Archives.
- 21 (c) Kentucky Educational Television.
- 22 (d) Kentucky Commission on the Deaf and Hard of Hearing.
- 23 (e) Operations and Development Office.
- 24 (f) Board of Directors for the Center for School Safety.
- 25 3. Environmental and Public Protection Cabinet:
- 26 (a) Office of the Secretary.
- 27 1. Office of Legislative and Intergovernmental Affairs.

- 1 2. Office of Communications and Public Outreach.
- 2 3. Office of Regulatory Affairs.
- 3 4. Office of Legal Services.
- 4 5. Office of Administrative and Information Services.
- 5 6. Office of Administrative Hearings.
- 6 7. Office of Inspector General.
- 7 8. Mine Safety Review Commission.
- 8 9. Workers' Compensation Board.
- 9 10. Kentucky State Nature Preserves Commission.
- 10 11. Kentucky Environmental Quality Commission.
- 11 12. Kentucky Occupational Safety and Health Review Commission.
- 12 (b) Department for Environmental Protection.
- 13 1. Office of the Commissioner.
- 14 2. Division of Air Quality.
- 15 3. Division of Water.
- 16 4. Division of Environmental Services.
- 17 5. Division of Waste Management.
- 18 6. Division of Enforcement.
- 19 7. Division of Compliance Assistance.
- 20 (c) Department for Natural Resources.
- 21 1. Office of the Commissioner.
- 22 2. Office of Technical and Administrative Support.
- 23 3. Division of Mine Permits.
- 24 4. Division of Mine Reclamation and Enforcement.
- 25 5. Division of Abandoned Mine Lands.
- 26 6. Division of Oil and Gas Conservation.
- 27 7. Office of Mine Safety and Licensing.

- 1 8. Division of Forestry.
- 2 9. Division of Conservation.
- 3 (d) Department of Public Protection.
- 4 1. Office of the Commissioner.
- 5 2. Division of Administrative Services.
- 6 3. Crime Victims Compensation Board.
- 7 4. Board of Claims.
- 8 5. Board of Tax Appeals.
- 9 6. Kentucky Boxing and Wrestling Authority.
- 10 7. Kentucky Horse Racing Authority.
- 11 8. Kentucky Public Service Commission.
- 12 9. Office of Alcoholic Beverage Control.
- 13 10. Office of Charitable Gaming.
- 14 11. Office of Financial Institutions.
- 15 12. Office of Housing, Buildings and Construction.
- 16 13. Office of Insurance.
- 17 (e) Department of Labor.
- 18 1. Office of the Commissioner.
- 19 2. Office of Occupational Safety and Health.
- 20 3. Office of Labor Management Relations and Mediation.
- 21 4. Office of Workplace Standards.
- 22 5. Office of Workers' Claims.
- 23 6. Workers' Compensation Funding Commission.
- 24 7. Kentucky Labor Management Advisory Council.
- 25 8. Occupational Safety and Health Standards Board.
- 26 9. Prevailing Wage Review Board.
- 27 10. Kentucky Employees Insurance Association.

11. Apprenticeship and Training Council.
12. State Labor Relations Board.
13. Workers' Compensation Advisory Council.
14. Workers' Compensation Nominating Commission.
15. Employers' Mutual Insurance Authority.
16. Division of Administrative Services.

4. Transportation Cabinet:

(a) Department of Highways.

1. Office of Program Planning and Management.
2. Office of Project Development.
3. Office of Construction and Operations.
4. Office of Intermodal Programs.
5. Highway District Offices One through Twelve.

(b) Department of Vehicle Regulation.

(c) Department of Administrative Services.

(d) Department of Aviation.

(e) Department of Intergovernmental Programs.

1. Office of Transportation Enhancement Programs.
2. Office of Rural and Secondary Roads.

(f) Office of the Secretary.

1. Office of Legislative and Intergovernmental Affairs.
2. Office of Public Affairs.
3. Office of Transportation Delivery.
4. Office for Business and Occupational Development.
5. Office of Budget and Fiscal Management.
6. Office of Legal Services.
7. Office of Inspector General.

- 1 8. Office of the Transportation Operations Center.
- 2 9. Office of Personnel Management.
- 3 5. Cabinet for Economic Development:
- 4 (a) Office of Administration and Support.
- 5 (b) Department for New Business Development.
- 6 (c) Department of Financial Incentives.
- 7 (d) Department for Existing Business Development.
- 8 (e) Department for Regional Development.
- 9 (f) Tobacco Research Board.
- 10 (g) Kentucky Economic Development Finance Authority.
- 11 (h) Office of Research and Information Technology.
- 12 (i) Department of Innovation and Commercialization for a Knowledge
- 13 Based Economy.
- 14 (j) Office of Legal Services.
- 15 (k) Commission on Small Business Advocacy.
- 16 6. Cabinet for Health and Family Services:
- 17 (a) Department for Public Health.
- 18 (b) Department for Medicaid Services.
- 19 (c) Department for Mental Health and Mental Retardation Services.
- 20 (d) Kentucky Commission for Children with Special Health Care Needs.
- 21 (e) Office of Health Policy ~~Certificate of Need~~.
- 22 (f) Office of the Secretary.
- 23 (g) Office of Legal Services.
- 24 (h) Office of Inspector General.
- 25 (i) Office of Legislative and Public Affairs.
- 26 (j) Department for Community Based Services.
- 27 (k) Department for Disability Determination Services.

- 1 (l) Office of the Ombudsman.
- 2 (m) Department for Human Support Services.
- 3 (n) Kentucky Commission on Community Volunteerism and Service.
- 4 (o) Office of Fiscal Services.
- 5 (p) Office of Human Resource Management.
- 6 (q) Office of Technology.
- 7 (r) Office of Contract Oversight.
- 8 7. Finance and Administration Cabinet:
- 9 (a) Office of General Counsel.
- 10 (b) Office of the Controller.
- 11 (c) Office of Administrative Services.
- 12 (d) Office of Public Information.
- 13 (e) Department for Facilities and Support Services.
- 14 (f) Department of Revenue.
- 15 (g) Commonwealth Office of Technology.
- 16 (h) State Property and Buildings Commission.
- 17 (i) Kentucky Savings Bond Authority.
- 18 (j) Office of Equal Employment Opportunity and Contract Compliance.
- 19 (k) County Officials Compensation Board.
- 20 (l) Kentucky Employees Retirement Systems.
- 21 (m) Commonwealth Credit Union.
- 22 (n) State Investment Commission.
- 23 (o) Kentucky Housing Corporation.
- 24 (p) Kentucky Local Correctional Facilities Construction Authority.
- 25 (q) Kentucky Turnpike Authority.
- 26 (r) Historic Properties Advisory Commission.
- 27 (s) Kentucky Tobacco Settlement Trust Corporation.

- 1 (t) Eastern Kentucky Exposition Center Corporation.
- 2 (u) State Board for Proprietary Education.
- 3 (v) Kentucky Higher Education Assistance Authority.
- 4 (w) Kentucky River Authority.
- 5 (x) Kentucky Teachers' Retirement System Board of Trustees.
- 6 8. Commerce Cabinet:
- 7 (a) Department of Tourism.
- 8 (1) Division of Tourism Services.
- 9 (2) Division of Marketing and Advertising.
- 10 (3) Division of Parks Marketing.
- 11 (b) Kentucky Department of Parks.
- 12 (1) Division of Information Technology.
- 13 (2) Division of Personnel and Payroll.
- 14 (3) Division of Financial Operations.
- 15 (4) Division of Facilities Management.
- 16 (5) Division of Project Administration.
- 17 (6) Division of Customer Services.
- 18 (7) Division of Recreation.
- 19 (8) Division of Golf Courses.
- 20 (9) Division of Food Services.
- 21 (10) Division of Rangers.
- 22 (11) Division of Eastern Parks.
- 23 (12) Division of Southern Parks.
- 24 (13) Division of Western Parks.
- 25 (c) Department of Fish and Wildlife Resources.
- 26 (1) Division of Law Enforcement.
- 27 (2) Division of Administrative Services.

- 1 (3) Division of Engineering.
- 2 (4) Division of Fisheries.
- 3 (5) Division of Information and Education.
- 4 (6) Division of Wildlife.
- 5 (7) Division of Public Affairs.
- 6 (d) Kentucky Horse Park.
- 7 (1) Division of Support Services.
- 8 (2) Division of Buildings and Grounds.
- 9 (3) Division of Operational Services.
- 10 (e) Kentucky State Fair Board.
- 11 (1) Division of Expositions and Admission.
- 12 (2) Division of Kentucky Fair and Exposition Center Operations.
- 13 (3) Division of Commonwealth Convention Center.
- 14 (4) Division of Public Relations and Media.
- 15 (5) Division of Administrative Services.
- 16 (6) Division of Personnel Management and Staff Development.
- 17 (7) Division of Sales.
- 18 (8) Division of Security and Traffic Control.
- 19 (f) Office of the Secretary.
- 20 (g) Office of Finance and Administration.
- 21 (h) Office of Legal Affairs.
- 22 (i) Office of Intergovernmental Affairs.
- 23 (j) Office of Human Resources.
- 24 (k) Office of Public Affairs and Constituent Services.
- 25 (l) Office of Information Technology.
- 26 (m) Office of Purchase and Procurement.
- 27 (n) Office of Creative Services.

- 1 (o) Office of Capital Plaza Operations.
- 2 (p) Office of Energy Policy.
- 3 (q) Coal Marketing and Export.
- 4 (r) Kentucky Coal Council.
- 5 (s) Kentucky Foundation for the Arts.
- 6 (t) Kentucky Humanities Council.
- 7 (u) Kentucky Heritage Council.
- 8 (v) Kentucky Arts Council.
- 9 (w) Kentucky Historical Society.
- 10 (1) Division of Museums.
- 11 (2) Division of Oral History and Educational Outreach.
- 12 (3) Division of Research and Publications.
- 13 (4) Division of Administration.
- 14 (x) Kentucky Center for the Arts.
- 15 (1) Division of Governor's School for the Arts.
- 16 (y) Kentucky Artisans Center at Berea.
- 17 9. Cabinet for Workforce Development:
- 18 (a) Department for Adult Education and Literacy.
- 19 (b) Department for Technical Education.
- 20 (c) Department of Vocational Rehabilitation.
- 21 (d) Department for the Blind.
- 22 (e) Department for Employment Services.
- 23 (f) Kentucky Technical Education Personnel Board.
- 24 (g) The Foundation for Adult Education.
- 25 (h) Department for Training and Reemployment.
- 26 (i) Office of General Counsel.
- 27 (j) Office of Communication Services.

- 1 (k) Office of Workforce Partnerships.
- 2 (l) Office of Workforce Analysis and Research.
- 3 (m) Office of Budget and Administrative Services.
- 4 (n) Office of Technology Services.
- 5 (o) Office of Quality and Human Resources.
- 6 (p) Unemployment Insurance Commission.

7 10. Personnel Cabinet:

- 8 (a) Office of the Secretary.
- 9 (b) Department for Personnel Administration.
- 10 (c) Office for Employee Relations.
- 11 (d) Kentucky Public Employees Deferred Compensation Authority.
- 12 (e) Office of Administrative Services.
- 13 (f) Office of Legal Services.
- 14 (g) Office of Government Training.
- 15 (h) Department for Employee Insurance.

16 III. Other departments headed by appointed officers:

- 17 1. Department of Military Affairs.
- 18 2. Council on Postsecondary Education.
- 19 3. Department for Local Government.
- 20 4. Kentucky Commission on Human Rights.
- 21 5. Kentucky Commission on Women.
- 22 6. Department of Veterans' Affairs.
- 23 7. Kentucky Commission on Military Affairs.
- 24 8. Education Professional Standards Board.
- 25 9. Office of Minority Empowerment.

26 Section 2. KRS 13B.020 is amended to read as follows:

- 27 (1) The provisions of this chapter shall apply to all administrative hearings conducted

1 by an agency, with the exception of those specifically exempted under this section.
2 The provisions of this chapter shall supersede any other provisions of the Kentucky
3 Revised Statutes and administrative regulations, unless exempted under this section,
4 to the extent these other provisions are duplicative or in conflict. This chapter
5 creates only procedural rights and shall not be construed to confer upon any person
6 a right to hearing not expressly provided by law.

7 (2) The provisions of this chapter shall not apply to:

- 8 (a) Investigations, hearings to determine probable cause, or any other type of
9 information gathering or fact finding activities;
- 10 (b) Public hearings required in KRS Chapter 13A for the promulgation of
11 administrative regulations;
- 12 (c) Any other public hearing conducted by an administrative agency which is
13 nonadjudicatory in nature and the primary purpose of which is to seek public
14 input on public policy making;
- 15 (d) Military adjudicatory proceedings conducted in accordance with KRS Chapter
16 35;
- 17 (e) Administrative hearings conducted by the legislative and judicial branches of
18 state government;
- 19 (f) Administrative hearings conducted by any city, county, urban-county, charter
20 county, or special district contained in KRS Chapters 65 to 109, or any other
21 unit of local government operating strictly in a local jurisdictional capacity;
- 22 (g) Informal hearings which are part of a multilevel hearing process that affords
23 an administrative hearing at some point in the hearing process if the
24 procedures for informal hearings are approved and promulgated in accordance
25 with subsections (4) and (5) of this section;
- 26 (h) Limited exemptions granted for specific hearing provisions and denoted by
27 reference in the text of the applicable statutes or administrative regulations;

- 1 (i) Administrative hearings exempted pursuant to subsection (3) of this section;
- 2 (j) Administrative hearings exempted, in whole or in part, pursuant to
- 3 subsections (4) and (5) of this section; and
- 4 (k) Any administrative hearing which was commenced but not completed prior to
- 5 July 15, 1996.

6 (3) The following administrative hearings are exempt from application of this chapter
 7 in compliance with 1994 Ky. Acts ch. 382, sec. 19:

8 (a) Finance and Administration Cabinet

- 9 1. Higher Education Assistance Authority
- 10 a. Wage garnishment hearings conducted under authority of 20
- 11 U.S.C. sec. 1095a and 34 C.F.R. sec. 682.410
- 12 b. Offset hearings conducted under authority of 31 U.S.C. sec. 3720A
- 13 and sec. 3716, and 34 C.F.R. sec. 30.33

14 (b) Cabinet for Health and Family Services

- 15 1. Office of Health Policy~~[Certificate of Need]~~
- 16 a. Certificate-of-need hearings and licensure conducted under
- 17 authority of KRS Chapter 216B
- 18 b. Licensure revocation hearings conducted under authority of KRS
- 19 Chapter 216B
- 20 2. Department for Community Based Services
- 21 a. Supervised placement revocation hearings conducted under
- 22 authority of KRS Chapter 630
- 23 3. Department for Disability Determination Services
- 24 a. Disability determination hearings conducted under authority of 20
- 25 C.F.R. sec. 404

26 (c) Justice Cabinet

- 27 1. Department of State Police

- 1 a. State Police Trial Board disciplinary hearings conducted under
2 authority of KRS Chapter 16
- 3 2. Department of Corrections
- 4 a. Parole Board hearings conducted under authority of KRS Chapter
5 439
- 6 b. Prison adjustment committee hearings conducted under authority
7 of KRS Chapter 197
- 8 c. Prison grievance committee hearings conducted under authority of
9 KRS Chapters 196 and 197
- 10 3. Department of Juvenile Justice
- 11 a. Supervised placement revocation hearings conducted under KRS
12 Chapter 635
- 13 (d) Environmental and Public Protection Cabinet
- 14 1. Department for Natural Resources
- 15 a. Surface mining hearings conducted under authority of KRS
16 Chapter 350
- 17 2. Department for Environmental Protection
- 18 a. Wild River hearings conducted under authority of KRS Chapter
19 146
- 20 b. Water resources hearings conducted under authority of KRS
21 Chapter 151
- 22 c. Water plant operator and water well driller hearings conducted
23 under authority of KRS Chapter 223
- 24 d. Environmental protection hearings conducted under authority of
25 KRS Chapter 224
- 26 e. Petroleum Storage Tank Environmental Assurance Fund hearings
27 under authority of KRS Chapter 224

- 1 3. Office of Workers' Claims
- 2 a. Workers' compensation hearings conducted under authority of
- 3 KRS Chapter 342
- 4 4. Kentucky Occupational Safety and Health Review Commission
- 5 a. Occupational safety and health hearings conducted under authority
- 6 of KRS Chapter 338
- 7 5. Department of Public Protection
- 8 a. Board of Claims
- 9 i Liability hearings conducted under authority of KRS Chapter
- 10 44
- 11 b. Public Service Commission
- 12 i Utility hearings conducted under authority of KRS Chapters
- 13 74, 278, and 279
- 14 (e) Cabinet for Workforce Development
- 15 1. Department for Employment Services
- 16 a. Unemployment Insurance hearings conducted under authority of
- 17 KRS Chapter 341
- 18 (f) Secretary of State
- 19 1. Registry of Election Finance
- 20 a. Campaign finance hearings conducted under authority of KRS
- 21 Chapter 121
- 22 (g) State universities and colleges
- 23 1. Student suspension and expulsion hearings conducted under authority of
- 24 KRS Chapter 164
- 25 2. University presidents and faculty removal hearings conducted under
- 26 authority of KRS Chapter 164
- 27 3. Campus residency hearings conducted under authority of KRS Chapter

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4. Family Education Rights to Privacy Act hearings conducted under authority of 20 U.S.C. sec. 1232 and 34 C.F.R. sec. 99

5. Federal Health Care Quality Improvement Act of 1986 hearings conducted under authority of 42 U.S.C. sec. 11101 to 11115 and KRS Chapter 311.

(4) Any administrative hearing, or portion thereof, may be certified as exempt by the Attorney General based on the following criteria:

(a) The provisions of this chapter conflict with any provision of federal law or regulation with which the agency must comply, or with any federal law or regulation with which the agency must comply to permit the agency or persons within the Commonwealth to receive federal tax benefits or federal funds or other benefits;

(b) Conformity with the requirement of this chapter from which exemption is sought would be so unreasonable or so impractical as to deny due process because of undue delay in the conduct of administrative hearings; or

(c) The hearing procedures represent informal proceedings which are the preliminary stages or the review stages of a multilevel hearing process, if the provisions of this chapter or the provisions of a substantially equivalent hearing procedure exempted under subsection (3) of this section are applied at some level within the multilevel process.

(5) The Attorney General shall not exempt an agency from any requirement of this chapter until the agency establishes alternative procedures by administrative regulation which, insofar as practical, shall be consistent with the intent and purpose of this chapter. When regulations for alternative procedures are submitted to the Administrative Regulation Review Subcommittee, they shall be accompanied by the request for exemption and the approval of exemption from the Attorney General.

1 The decision of the Attorney General, whether affirmative or negative, shall be
2 subject to judicial review in the Franklin Circuit Court within thirty (30) days of the
3 date of issuance. The court shall not overturn a decision of the Attorney General
4 unless the decision was arbitrary or capricious or contrary to law.

- 5 (6) Except to the extent precluded by another provision of law, a person may waive any
6 procedural right conferred upon that person by this chapter.

7 Section 3. KRS 194A.030 is amended to read as follows:

8 The cabinet consists of the following major organizational units, which are hereby
9 created:

- 10 (1) Office of the Secretary. Within the Office of the Secretary, there shall be an Office
11 of Legislative and Public Affairs, an Office of Legal Services, and an Office of
12 Inspector General.

- 13 (a) The Office of Legislative and Public Affairs shall be responsible for the
14 development and implementation of the major legislative and policy
15 initiatives of the cabinet, and shall include oversight of administrative
16 hearings, legislative affairs, and communications with internal and external
17 audiences of the cabinet. The Office of Legislative and Public Affairs shall be
18 headed by an executive director who shall be appointed by the secretary with
19 the approval of the Governor under KRS 12.050.

- 20 (b) The Office of Legal Services shall provide legal advice and assistance to all
21 units of the cabinet in any legal action in which it may be involved. The Office
22 of Legal Services shall employ all attorneys of the cabinet who serve the
23 cabinet in the capacity of attorney, giving legal advice and opinions
24 concerning the operation of all programs in the cabinet. The Office of Legal
25 Services shall be headed by a general counsel who shall be appointed by the
26 secretary with the approval of the Governor under KRS 12.050 and 12.210.

27 The general counsel shall be the chief legal advisor to the secretary and shall

1 be directly responsible to the secretary. The Attorney General, on the request
 2 of the secretary, may designate the general counsel as an assistant attorney
 3 general under the provisions of KRS 15.105.

4 (c) The Office of Inspector General shall be responsible for:

- 5 1. The conduct of audits and investigations for detecting the perpetration of
 6 fraud or abuse of any program by any client, or by any vendor of
 7 services with whom the cabinet has contracted; and the conduct of
 8 special investigations requested by the secretary, commissioners, or
 9 office heads of the cabinet into matters related to the cabinet or its
 10 programs;
- 11 2. Licensing and regulatory functions as the secretary may delegate;
- 12 3. Review of health facilities participating in transplant programs, as
 13 determined by the secretary, for the purpose of determining any
 14 violations of KRS 311.165 to 311.235, 311.241, 311.243, 311.245, and
 15 311.247; and
- 16 4. The notification and forwarding of any information relevant to possible
 17 criminal violations to the appropriate prosecuting authority.

18 The Office of Inspector General shall be headed by an inspector general who shall
 19 be appointed by the secretary with the approval of the Governor. The inspector
 20 general shall be directly responsible to the secretary;

- 21 (2) Department for Medicaid Services. The Department for Medicaid Services shall
 22 serve as the single state agency in the Commonwealth to administer Title XIX of the
 23 Federal Social Security Act. The Department for Medicaid Services shall be headed
 24 by a commissioner for Medicaid services, who shall be appointed by the secretary
 25 with the approval of the Governor under with KRS 12.050. The commissioner for
 26 Medicaid services shall be a person who by experience and training in
 27 administration and management is qualified to perform the duties of this office. The

1 commissioner for Medicaid services shall exercise authority over the Department
2 for Medicaid Services under the direction of the secretary and shall only fulfill those
3 responsibilities as delegated by the secretary;

4 (3) Department for Public Health. The Department for Public Health shall develop and
5 operate all programs of the cabinet that provide health services and all programs for
6 assessing the health status of the population for the promotion of health and the
7 prevention of disease, injury, disability, and premature death. The Department for
8 Public Health shall be headed by a commissioner for public health who shall be
9 appointed by the secretary with the approval of the Governor under KRS 12.050.
10 The commissioner for public health shall be a duly licensed physician who by
11 experience and training in administration and management is qualified to perform
12 the duties of this office. The commissioner shall advise the head of each major
13 organizational unit enumerated in this section on policies, plans, and programs
14 relating to all matters of public health, including any actions necessary to safeguard
15 the health of the citizens of the Commonwealth. The commissioner shall serve as
16 chief medical officer of the Commonwealth. The commissioner for public health
17 shall exercise authority over the Department for Public Health under the direction of
18 the secretary and shall only fulfill those responsibilities as delegated by the
19 secretary;

20 (4) Department for Mental Health and Mental Retardation Services. The Department
21 for Mental Health and Mental Retardation Services shall develop and administer
22 programs for the prevention of mental illness, mental retardation, brain injury,
23 developmental disabilities, and substance abuse disorders and shall develop and
24 administer an array of services and support for the treatment, habilitation, and
25 rehabilitation of persons who have a mental illness or emotional disability, or who
26 have mental retardation, brain injury, developmental disability, or a substance abuse
27 disorder. The Department for Mental Health and Mental Retardation Services shall

1 be headed by a commissioner for mental health and mental retardation who shall be
 2 appointed by the secretary with the approval of the Governor under KRS 12.050.
 3 The commissioner for mental health and mental retardation shall be by training and
 4 experience in administration and management qualified to perform the duties of the
 5 office. The commissioner for mental health and mental retardation shall exercise
 6 authority over the department under the direction of the secretary and shall only
 7 fulfill those responsibilities as delegated by the secretary;

8 (5) Commission for Children with Special Health Care Needs. The duties,
 9 responsibilities, and authority set out in KRS 200.460 to 200.490 shall be performed
 10 by the commission. The commission shall advocate the rights of children with
 11 disabilities and, to the extent that funds are available, shall provide the services and
 12 facilities for children with disabilities as are deemed appropriate by the commission.
 13 The commission shall be composed of seven (7) members appointed by the
 14 Governor to serve a term of office of four (4) years. The commission may
 15 promulgate administrative regulations under KRS Chapter 13A as may be necessary
 16 to implement and administer its responsibilities. The duties, responsibilities, and
 17 authority of the Commission for Children with Special Health Care Needs shall be
 18 performed through the office of the executive director of the commission. The
 19 executive director shall be appointed by the Governor under KRS 12.040, and the
 20 commission may at any time recommend the removal of the executive director upon
 21 filing with the Governor a full written statement of its reasons for removal. The
 22 executive director shall report directly to the Commission for Children with Special
 23 Health Care Needs and serve as the commission's secretary;

24 (6) Office of ~~Health Policy~~[Certificate of Need]. **The Office of Health Policy shall**
 25 **lead efforts to coordinate health care policy, including Medicaid, mental health**
 26 **and mental retardation services, public health, certificate of need, health**
 27 **insurance, and the state employee health insurance program.** The duties,

responsibilities, and authority pertaining to the certificate of need functions and the licensure appeal functions, as set out in KRS Chapter 216B, shall be performed by this office. *The Office of Health Policy shall be headed by an executive director who shall be appointed by the secretary with the approval of the Governor pursuant to KRS 12.050;*

(7) Department for Human Support Services. The Department for Human Support Services shall streamline the various responsibilities associated with the human services programs for which the cabinet is responsible. This shall include, but not be limited to, oversight of the Division of Aging Services, the Division of Child Abuse and Domestic Violence Services, the Division of Women's Physical and Mental Health, the Division of Family Resource and Youth Services Centers, and the Kentucky Commission on Community Volunteerism and Services. The Department for Human Support Services shall be headed by a commissioner for human support services who shall be appointed by the secretary with the approval of the Governor under KRS 12.050. The commissioner for human support services shall be by training and experience in administration and management qualified to perform the duties of the office. The commissioner for human support services shall exercise authority over the department under the direction of the secretary and shall only fulfill those responsibilities as delegated by the secretary;

(8) Office of the Ombudsman. The Office of the Ombudsman shall provide professional support in the evaluation of programs, including but not limited to quality improvement and information analysis and reporting, including contract monitoring, program monitoring, and the development of quality service delivery, and a review and resolution of citizen complaints about programs or services of the cabinet when those complaints are unable to be resolved through normal administrative remedies. The Office of the Ombudsman shall place an emphasis on research and best practice and program accountability and shall monitor federal

1 compliance. The Office of the Ombudsman shall be headed by an executive director
2 who shall be appointed by the secretary with the approval of the Governor under
3 KRS 12.050;

4 (9) Office of Technology. The Office of Technology shall develop and maintain
5 technology, technology infrastructure, and information management systems in
6 support of all units of the cabinet. The Office of Technology shall be headed by a
7 chief information officer who shall be appointed by the secretary with the approval
8 of the Governor under KRS 12.050. The chief information officer shall exercise
9 authority over the Office of Technology under the direction of the secretary and
10 shall only fulfill those responsibilities as delegated by the secretary;

11 (10) Office of Human Resource Management. The Office of Human Resource
12 Management shall coordinate, oversee, and execute all personnel, training, and
13 management functions of the cabinet. The office shall focus on the oversight,
14 development, and implementation of quality personnel services; curriculum
15 development and delivery of instruction to staff; the administration, management,
16 and oversight of training operations; health, safety, and compliance training; and
17 equal employment opportunity compliance functions. The office shall be headed by
18 an executive director appointed by the secretary with the approval of the Governor
19 in accordance with KRS 12.050;

20 (11) Office of Fiscal Services. The Office of Fiscal Services shall coordinate, oversee,
21 and execute the accounting, treasury, and financial reporting functions of the
22 cabinet. The office shall be headed by a chief financial officer appointed by the
23 secretary with the approval of the Governor in accordance with KRS 12.050;

24 (12) Office of Contract Oversight. The Office of Contract Oversight shall coordinate,
25 oversee, and execute the contracting and procurement processes of the cabinet and
26 shall maintain these processes in compliance with all applicable laws, rules,
27 regulations, and procedures. The office shall ensure that the cabinet executes its

1 contracting and procurement processes within the highest ethical standards and with
2 the utmost integrity. The office shall oversee existing contracts to assure that the
3 cabinet receives those services for which it has contracted or receives funds in
4 payment for services that it has provided by contract, and shall have responsibility
5 for determining that the cabinet maximizes the value of dollars spent by the cabinet
6 for commodities and services. The office shall be headed by an executive director
7 appointed by the secretary with the approval of the Governor in accordance with
8 KRS 12.050;

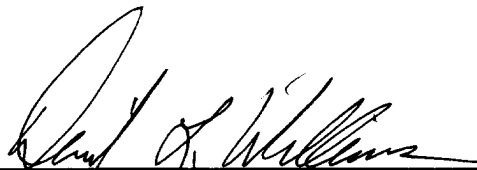
9 (13) Department for Community Based Services. The Department for Community Based
10 Services shall administer and be responsible for child and adult protection, foster
11 care and adoption, permanency, and services to enhance family self-sufficiency,
12 including child care, social services, public assistance, and family and child support.
13 The department shall be headed by a commissioner appointed by the secretary with
14 the approval of the Governor in accordance with KRS 12.050; and

15 (14) Department for Disability Determination Services. The Department for Disability
16 Determination Services shall serve as the state unit as required by Title II and Title
17 XVI of the Social Security Act, and shall have responsibility for determining
18 eligibility for disability for those citizens of the Commonwealth who file
19 applications for disability with the Social Security Administration. The department
20 shall also make determinations for citizens of the Commonwealth who make
21 application for the Kentucky Transitional Assistance Program and determine
22 medical exemptions for participants in the Kentucky Works Program. The
23 department shall be headed by a commissioner appointed by the secretary with the
24 approval of the Governor in accordance with KRS 12.050.

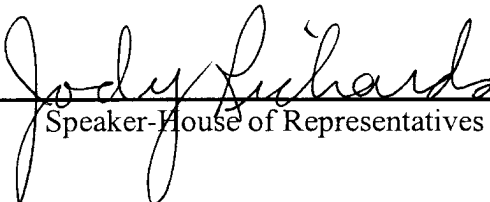
25 Section 4. In order to reflect the reorganization effectuated by this Act, the reviser
26 of statutes shall replace references in the Kentucky Revised Statutes to the agencies,
27 subagencies, and officers affected by this Act with references to the appropriate successor

1 agencies, subagencies, and officers established by this Act. The reviser of statutes shall
2 base these actions on the functions assigned to the new entities by this Act and may
3 consult with officers of the affected agencies, or their designees, to receive suggestions.

4 Section 5. The General Assembly hereby confirms Executive Order 2005-779,
5 dated August 1, 2005, by which the Office of Certificate of Need is abolished, the Office
6 of Health Policy is created, and the Divisions of Health Policy Development and
7 Certificate of Need are created and established within the Office of Health Policy, to the
8 extent it is not otherwise confirmed by this Act. All personnel records, files, equipment,
9 and funds heretofore assigned to the Office of Certificate of Need are hereby transferred
10 to the Office of Health Policy.

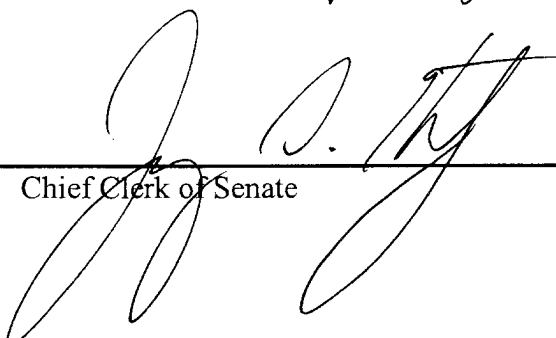


President of the Senate



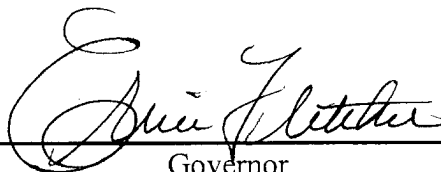
Speaker-House of Representatives

Attest:



Chief Clerk of Senate

Approved



Governor

Date

4/18/06